GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1026
ANSWERED ON:01.03.2011
WADHWA COMMITTEE ON PDS
Rajesh Shri M. B.

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Supreme Court had appointed Justice D.P. Wadhwa Committee to study the cases of corruption, leakages and inefficiency in the Public Distribution System (PDS) in the country;

(b) if so, the terms of reference, findings and recommendations of the said committee for strengthening the PDS;

(c) whether the Government has accepted the recommendations of the committee;

(d) if so, the details and the implementation status thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (e): Central Vigilance Committee (CVC) with Justice D.P.Wadhwa as Chairman was set up by the Hon'ble Supreme Court to look into maladies affecting functioning of Public Distribution System (PDS) and to suggest remedial measures.

In terms of the directions of the Hon`ble Supreme Court, the Committee shall focus on the following:-

(i) The mode of appointment of dealers;

(ii) The ideal commission or the rates payable to the dealers;

(iii) Modalities as to how the Committees already in place can function better; and

(iv) Modes as to how there can be transparency in allotment of the food stock to be sold at the Fair Price Shops.

The Supreme Court's direction to CVC was to conduct this study initially for the TPDS in Delhi, to be followed up on all India basis. The Committee has submitted its report on TPDS in Delhi in August, 2007 to the Hon'ble Supreme Court. In its order dated 10.01.2008, Hon'ble Supreme Court has ordered that similar exercise be undertaken by the CVC for the entire country and thereafter the Court would consider the suggestions of the CVC and shortfalls noticed.

The reports of CVC in respect of 14 States/UTs, namely, Andhra Pradesh, Bihar, Chandigarh, Delhi, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Orissa, Rajasthan, Tamil Nadu, Uttarakhand and also a report on Computerization of TPDS submitted by CVC to Hon'ble Supreme Court have also been obtained from the CVC and forwarded to the respective State/UT Governments for comments along with their action taken report. The CVC reports on functioning of TPDS for the remaining States/UTs are awaited. A gist of recommendations contained in the Committee's reports, which are common to most of the States/ UTs as well as report on Computerization of PDS Operations, is at Annex-I.

Further, Hon'ble Supreme Court has sought the views of the Government on some of the recommendations of the CVC and the Government has since submitted its detailed response under affidavits filed in the Court

ANNEX-I

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE UNSTARRED QUESTION No. 1026 FOR ANSWER ON 01.03.2011 IN THE LOK SABHA

CENTRAL VIGILANCE COMMITTEE REPORT ON TPDS IN STATES/UTs (RECOMMENDATIONS COMMON TO MOST STATES/UTs) AND REPORT ON COMPUTERIZATION OF PDS OPERATIONS

1. Income criterion for poverty be revisited. This should not be less than minimum wage for agricultural labour.

2. Poverty in urban areas to be based upon minimum wage payable to an unskilled workman in the area.

3. Above Poverty Line (APL) as a category be abolished. Alternatively, the APL category be restricted to households having annual income of Rs. 1 lakh.

4. Global Positioning System (GPS) be installed on vehicles transporting TPDS foodgrains for tracking their movement.

5. Reconstitute and activate Vigilance Committees, which should meet at regular intervals.

6. Fair Price Shop (FPS) be allotted to persons or groups having kirana/grocery stores. Sale of non-PDS rice and wheat not to be allowed from such FPS.

7. Fresh licenses to be granted in transparent manner.

8. Door step delivery of foodgrains to FPSs.

9. There is a need for rationalizing the number of beneficiaries attached to each FPS to make the shops financially viable.

10. Complaint redressal mechanism with 24 hour helpline for lodging complaints by beneficiaries and follow up action.

11. Supply of TPDS foodgrains in small packages of 5-10 kg in HDPE bags.

12. Facility of mobile FPS especially in remote/ tribal areas to be encouraged.

13. Zero tolerance towards corruption. Strict penal action/departmental action be taken against offenders. Strengthening of enforcement and anti-hoarding machinery.

14. Independent agency to monitor working of TPDS − Ombudsman/Regulator be set up.

15. Political influence in operation of TPDS should be done away with.

16. Introduction of computerization of the entire distribution chain, right from the procurement process and ending with retail distribution by the FPS dealers.